

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 92-490-W - ORDER NO. 93-171  
FEBRUARY 12, 1993

IN RE: Request of Vale Water Company, Inc.     ) ORDER  
      for Approval to Transfer the Water     ) APPROVING  
      System to the City of Aiken.         ) TRANSFER

By Application filed August 28, 1992, Vale Water Company, Inc. (Vale or the Company) seeks approval to transfer the water system owned by Vale in Aiken County, South Carolina, to the City of Aiken, South Carolina (the City). This Application was filed with the Public Service Commission of South Carolina (the Commission) pursuant to S.C. Code Ann., §58-5-240 (1976), as amended, and Regulations 103-821 and 103-743 of the Commission's Rules of Practice and Procedure.

By letter, the Commission's Executive Director instructed the Company to publish a prepared Notice of Filing, one time, in a newspaper of general circulation, in the area affected by the proposal. The Notice of Filing indicated the nature of Vale's Application and advised all interested parties desiring participation in the scheduled proceeding of the manner and time in which to file the appropriate pleadings.

Petitions to Intervene were filed by James and Loretta Wilson, John E. Soares, and Robert N. Hinds, Jr. A public hearing

relative to the matters asserted in Vale's Application was held on January 20, 1993 at the hearing room of the Commission at 111 Doctors Circle, Columbia, South Carolina. The Honorable Rudolph Mitchell, Vice-Chairman, presided. Vale was not represented by counsel, but presented the testimony of Jerry P. Dividian, owner of the Vale Water Company, Inc., and Steven T. Thompson, City Manager of the City of Aiken, South Carolina. The Intervenors were not represented by counsel, but with the exception of Loretta Wilson, presented testimony. The Commission Staff was represented by F. David Butler, General Counsel.

Jerry P. Davidian, owner of the Vale Water Company, Inc., testified as to the financial condition of the Company, and the need for the transfer to an entity that could provide more technical expertise in the provision of water to the residents. Steven T. Thompson, City Manager of Aiken, South Carolina, testified as to the City of Aiken's willingness to accept the system, and the major advantages, according to Thompson, that the City could provide in providing water service to the Vale residents.

The Intervenors testified that Vale was outside the City of Aiken's limits, and that the residents opposed the City's requirement that they sign agreements to annex prior to provision of water by the City at the same price as they were presently paying. The Intervenors described the City council meetings and private meetings held in an attempt to resolve the annexation agreement issue, all to no avail.

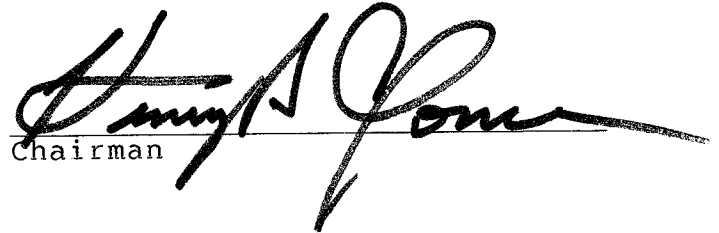
The Commission has considered this matter and believes that the transfer from the Vale Water Company, Inc. to the City of Aiken, is in the public interest and should be approved. Clearly, the City of Aiken has many years of experience in the provision of water to its residents, and to residents outside the City limits. The expertise gained over these years will be helpful in the proper and appropriate provision of water service the residents of the Vale. Although the Commission recognizes the questions raised by the Intervenor about the City's requirement of annexation agreements and different rate structures for the Vale residents, the Commission takes no position regarding these matters in this Order. The Commission believes that the City is fit, willing, and has the ability to provide the needed water service to the Vale, and therefore, believes that the Application for Transfer should be approved.

IT IS THEREFORE ORDERED THAT:

1. The Application of the Vale Water Company, Inc. to transfer its water system to the City of Aiken, South Carolina is hereby approved.

2. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)